

NOTICE OF SALE AND REQUEST FOR BIDS

IOWA COLLEGE STUDENT AID COMMISSION

Sale of Defaulted Private Partnership Loan Program Student Loans

NOS NO. 2015-001

October 29, 2015

Updated December 8, 2015

Section 1 Introduction

1. Introduction

1.1 Purpose

This Notice of Sale and Request for Bid (NOS) solicits proposals from qualified Purchasers to purchase defaulted Private Partnership Loan Program (PLP) student loans from the Iowa College Student Aid Commission.

1.2 Definitions

For purposes of this NOS, the following terms mean:

1.2.1 “Iowa College Aid” means the Iowa College Student Aid Commission.

1.2.2 “Purchaser” means a person that submits a bid or proposal submitted in response to this NOS.

1.2.3 “Proposal” means a Purchaser ’s bid or proposal submitted in response to this NOS.

1.2.4 “Responsive Proposal” means a Proposal that complies with the material provisions of this NOS.

1.2.5 “NOS” means this Notice of Sale and Request for Bids and any attachments, exhibits, schedules or addenda to this NOS.

1.3 Background

Iowa College Aid provides college access, financial literacy, and outreach services to Iowa’s students and their families as they prepare, plan, and pay for college. Iowa College Aid also administers state scholarship, grant, work study, and loan forgiveness programs totaling over \$70 million annually, conducts research and distributes higher

education data. Through its role, Iowa College Aid also serves as the state-designated administrator of the U.S. Department of Education's College Access Challenge Grant, which is designed to increase the college-going culture in Iowa. Additionally, Iowa College Aid is the administrator of the statewide Federal GEAR UP Grant. For 34 years, Iowa College Aid was the state-designated guarantor of the Federal Family Education Loan Program (FFELP) until the elimination of the program in 2010.

1.4 Description of the PLP loans being sold

Iowa College Aid is selling the PLP loans described in Attachment #4. Attachment #4 identifies the aggregate number of loans and the amounts owed as of the specified; the actual loans and the amounts owed under those loans will likely be different than described in Attachment #4 when those loans are transferred to Purchaser. Iowa College Aid is making no representations about the loans and those loans will be transferred to the Purchaser "as is."

Section 2 Administrative Information

2. Administrative information

2.1 Overview of the NOS process

This NOS provides Purchasers with the information needed to prepare competitive Proposals. The NOS process is for Iowa College Aid's benefit and is intended to provide Iowa College Aid with information to assist in the selection process. It is not intended to be comprehensive. Each Purchaser must determine all factors necessary for submission of a comprehensive Proposal.

2.2 Issuing Officer

The Issuing Officer for this NOS is

Brenda Edwards

430 East Grand Avenue, Floor 3

Des Moines, Iowa 50309

Tel : (515) 725-3424

Email : brenda.edwards@iowa.gov

The Issuing Officer is the sole point of contact regarding the NOS from the date of issuance until Iowa College Aid issues a notice of intent to award the contract.

2.3 Restriction on communications

From the issue date of this NOS until a notice of intent to award the contract is issued, Purchasers may contact only the Issuing Officer concerning the NOS. The Issuing Officer will respond only to written questions about the NOS process. Questions related to the interpretation of this NOS must be submitted as provided in § 2.5 of the NOS. Iowa College Aid may disqualify any Purchaser if it contacts any State employee other than the Issuing Officer about the NOS.

2.4 Downloading the NOS from the Internet

Iowa College Aid will post the NOS, any addenda, and other documents related to the NOS on its website at www.iowacollegeaid.gov. Iowa College Aid will also notify potential Purchasers that might be interested in submitting Proposals in response to this NOS. Purchasers are solely responsible for checking for any addenda posted to Iowa College Aid's website as well as other notices and information related to this NOS.

2.5 Timetable

Relevant Action	Date/Time (Local Time)
.1 Iowa College Aid Issues NOS:	October 29, 2015
.2 Written questions, requests for clarification, and suggested changes from Purchasers due:	November 12, 2015
.3 Iowa College Aid's written response to questions, requests for clarifications, and suggested changes:	November 19, 2015
.4 Proposals Due:	January 4, 2016
.5 Anticipated Date to issue Notice of Intent to Award:	January 7, 2016
.6 Anticipated Date to execute contract:	January 29, 2016

2.6 Questions and requests for clarification

Purchasers may submit written questions and requests for clarifications about the NOS to the Issuing Officer before the date and time identified in § 2.5.2 of the NOS. Iowa College Aid will not accept oral questions. If the questions or requests for clarifications pertain to a specific section of the NOS, Purchasers must reference the page and section number or numbers. Iowa College Aid will send written responses to questions or requests for clarifications received from Purchasers on or before the date listed in § 2.5.3 by posting those answers on its website. Iowa College Aid's written responses will be part of the NOS. Iowa College Aid assumes no responsibility for oral representations made by its officers or employees.

2.7 Amendments to the NOS

Iowa College Aid reserves the right to amend the NOS at any time using an addendum. Each Purchaser must acknowledge receipt of all addenda in its Proposal. If Iowa College Aid issues an addendum after the due date for receipt of Proposals, Iowa College Aid may, in its sole discretion, allow Purchasers to amend their Proposals in response to the addendum.

2.8 Submission of proposals

Iowa College Aid must receive Proposals at the e-mail address listed below before the "Proposals Due" date listed in § 2.5 of the NOS.

This is a mandatory requirement. Iowa College Aid will not waive this requirement. Iowa College Aid will reject any Proposal received after this deadline and will return the Proposal unopened to the Purchaser.

Purchasers must submit PDF copies of their Proposals to the e-mail address identified below. Iowa College Aid will not accept paper or faxed Proposals. Each Purchaser is solely responsible to ensure that the Proposal is received by Iowa College Aid before the deadline.

A Purchaser must submit a PDF copy of its Proposal to the Issuing Officer at the following e-mail address:

brenda.edwards@iowa.gov

2.9 Completeness of proposals

Purchasers must furnish all information necessary to enable Iowa College Aid to evaluate the Proposal. Iowa College Aid will disqualify Proposals that fail to meet the mandatory requirements of the NOS. Nor will it consider oral information provided by the Purchaser as part of the Purchaser's Proposal unless it is reduced to writing.

2.10 Proposal opening

Iowa College Aid will open Proposals after the deadline for submission of Proposals has passed. The Proposals will remain confidential until the Evaluation Committee has reviewed all of the Proposals submitted in response to this NOS and Iowa College Aid has announced a notice of intent to award a contract. Iowa College Aid will make the names of the Purchasers who submitted timely Proposals publicly available after the Proposal opening. But the announcement of Purchasers who timely submitted Proposals does not mean that an individual Proposal has been deemed technically compliant or accepted for evaluation.

2.11 Cost of preparing proposal

Each Purchaser is solely responsible for the costs to prepare and deliver its Proposal.

2.12 Rejection of proposals

Iowa College Aid reserves the right to reject any Proposal, in whole and in part, received in response to this NOS at any time before the execution of a written contract. Issuance of this NOS does not constitute a commitment by Iowa College Aid to enter into a contract.

2.13 Disqualification

Iowa College Aid may reject outright and not evaluate Proposals for any one or more of the following reasons:

2.13.1 The Purchaser fails to deliver the Proposal to the designated e-mail addresses.

2.13.2 The Purchaser acknowledges that it cannot meet a requirement of the NOS.

2.13.3 The Purchaser's Proposal materially changes a requirement of the NOS or the Proposal does not comply with the requirements of the NOS.

2.13.4 The Purchaser's Proposal limits the rights of Iowa College Aid.

2.13.5 The Purchaser fails to include information necessary to substantiate that it will be able to meet a requirement of the NOS.

2.13.6 The Purchaser fails to respond timely to Iowa College Aid's request for information, documents, or references.

2.13.7 The Purchaser fails to include any signature, certification, authorization, stipulation, disclosure, or guarantee requested in this NOS.

2.13.8 The Purchaser presents the information requested by this NOS in a format inconsistent with the instructions of the NOS or otherwise fails to comply with the requirements of this NOS.

2.13.9 The Purchaser initiates unauthorized contact regarding the NOS with State employees.

2.13.10 The Purchaser provides misleading or inaccurate responses.

2.13.11 There is insufficient evidence (including evidence submitted by the Purchaser and evidence obtained by Iowa College Aid from other sources) to satisfy Iowa College Aid that the Purchaser is a Responsible Purchaser.

2.14 Nonmaterial variances

Iowa College Aid reserves the right to waive or permit cure of nonmaterial variances in the Proposal if, in Iowa College Aid's judgment, it is in the State's best interest to do so. Nonmaterial variances include: minor failures to comply that do not affect overall responsiveness, that are merely a matter of form or format, that do not change the relative standing or otherwise prejudice other Purchasers, that do not change the meaning or scope of the NOS, or that do not reflect a material change in the requirements of the NOS. If Iowa College Aid waives or permits cure of nonmaterial variances, the waiver or cure will not modify the NOS requirements or excuse the Purchaser from full compliance with NOS specifications or other contract requirements if the Purchaser is awarded the contract. The determination of materiality is in the sole discretion of Iowa College Aid.

2.15 Information from other sources

Iowa College Aid reserves the right to obtain and consider information from other sources concerning a Purchaser, such as persons who are knowledgeable about the Purchaser's capability and performance under other contracts, the qualifications of any subcontractor identified in the Proposal, the Purchaser's financial stability, past or pending litigation, and publicly available information.

2.16 Disposition of proposals

All Proposals will become the property of Iowa College Aid and will not be returned to the Purchaser. Once Iowa College Aid issues a Notice of Intent to Award the Contract, the contents of all Proposals will be in the public domain and be open to inspection by interested parties.

2.17 Public records

Iowa College Aid will treat all information submitted by a Purchaser as public records.

2.18 Copyright permission

By submitting a Proposal, the Purchaser agrees that Iowa College Aid may copy the Proposal for purposes of facilitating the evaluation of the Proposal or to respond to requests for public records. By submitting a Proposal, the Purchaser consents to such copying and warrants that such copying will not violate the rights of any third party. In addition, by submitting a Proposal, the Purchaser agrees that Iowa College Aid will have the right to use ideas or adaptations of ideas that are presented in Proposals.

2.19 Release of claims

By submitting a Proposal, the Purchaser agrees that it will not bring any claim or cause of action against Iowa College Aid based on any misunderstanding concerning the information provided in this NOS or concerning Iowa College Aid's failure, negligent or otherwise, to provide the Purchaser with pertinent information as intended by this NOS.

2.20 Evaluation of proposals

An Evaluation Committee will review Proposals that are timely submitted and are not rejected under § 2.12 or § 2.13, or both, of the NOS. The Evaluation Committee's decision will recommend the successful Purchaser to Iowa College Aid's executive director, who can either accept or reject the recommended Purchaser. The executive director's decision is final. Iowa College Aid will not necessarily award a contract resulting from this NOS to the Purchaser offering the highest purchase price to Iowa College Aid. Instead, Iowa College Aid will award the Contract to the Responsible Purchaser whose Responsive Proposal Iowa College Aid believes will provide the best value to Iowa College Aid and the State.

2.21 Notice of award and acceptance period

After the executive director selects the Purchaser to purchase the defaulted PLP loans, Iowa College Aid will send a notice of intent to award the contract or contracts to all Purchasers who submitted timely Proposals. In addition, Iowa College Aid may post the notice on its website. Negotiation and execution of the Contract or Contracts must be completed no later than 90 days from the date of the notice of intent to award or such other time as designated by Iowa College Aid. If a successful Purchaser fails to negotiate and deliver an executed contract by that date, Iowa College Aid, in its sole discretion, may cancel the award and award the contract to another Purchaser that Iowa College Aid believes will provide the best value to Iowa College Aid and the State.

2.22 No contract rights until a contract is signed

No Purchaser will acquire any legal or equitable rights regarding the contract being negotiated until the contract has been fully executed by the successful Purchaser and Iowa College Aid.

2.23 Choice of law and forum

The laws of the State of Iowa will govern this NOS and the contract that results from this process. Changes in applicable laws and rules may affect the award process or the final contract. Purchasers are responsible for ascertaining pertinent legal requirements and restrictions. All litigation or actions commenced in connection with this NOS must be brought in the appropriate Iowa forum.

2.24 Restrictions on gifts and activities

Iowa Code chapter 68B restricts gifts that may be given or received by State employees and requires certain individuals to disclose information concerning their activities with State government. Purchasers must determine whether chapter 68B applies to their activities and must comply with the chapter's requirements. In addition, under Iowa Code § 722.1, it is a felony offense to bribe or attempt to bribe a public official.

2.25 Appeals

If a Purchaser who submitted a timely proposal disagrees with an award decision, it may appeal that decision by submitting a written appeal detailing the factual and legal basis for the challenge within five calendar days of the Notice of Intent to Award to Iowa College Aid's executive director. The Issuing Officer, or designee, may submit a written response to the Purchaser's written appeal within five business days after receipt of the appeal. If a Purchaser appeals an award decision, the Iowa College Aid board will decide the appeal based on the parties' written submissions and oral presentations. The parties will be unable to present any other evidence or call any witnesses to testify. The oral presentations will be held in person or by telephone conference call within seven business days after the Issuing Officer's response to the written appeal. The board will issue a written decision within seven business days of the oral argument.

Section 3 Form and Content of Proposals

3. Form and content of proposals

3.1 Instructions

These instructions prescribe the format and content of the Proposal. They are designed to facilitate a uniform review process. Iowa College Aid may reject any Proposal that fails to adhere to these instructions.

3.1.1 The Proposal must be typewritten and printable on 8.5" x 11" paper and submitted as PDF documents.

3.1.2 The Proposal must be submitted to the e-mail address identified in § 2.8 of the NOS. The first page of the Proposal must be labeled with the following information:

Response to Notice of Sale and Request for Bids: Sale of Defaulted Private
Partnership Loan Program (PLP) Student Loans

Iowa College Student Aid Commission

430 East Grand Avenue, Floor 3

Des Moines, Iowa 50309

[Purchaser's Name and Address]

Iowa College Aid is not responsible for misdirected e-mails or premature opening of Proposals if a Proposal is not properly labeled or not sent to the designated e-mail address.

3.1.3 The Proposal must be timely submitted to the designated e-mail address.

3.1.4 Attachments must be referenced in the Proposal.

3.2 Proposal

The Proposal must include the following documents and responses in the order given below:

3.2.1 Transmittal letter

An individual authorized to legally bind the Purchaser must sign the transmittal letter. The letter must include the Purchaser's mailing address, electronic mail address, fax number, and telephone number.

3.2.2 Background information

The Purchaser must provide the following general background information:

- .1 Name, address, telephone number, fax number, and e-mail address of the Purchaser including all d/b/a's, assumed, or other operating names of the Purchaser.
- .2 Form of business entity, i.e., corporation, partnership, proprietorship, limited liability company.
- .3 State of incorporation, state of formation, or state of organization.
- .4 Name, address, and telephone number of the Purchaser's representative to contact regarding all contractual and technical matters concerning the Proposal.
- .5 The successful Purchaser will be required to register to do business in Iowa. If already registered, provide the date of the Purchaser's registration to do business in Iowa and the name of the Purchaser's registered agent.
- .6 City, address, state, and name of director or manager for all other regional or state offices of the Purchaser.

3.2.3 Termination, debarment, and litigation

The Purchaser must provide the following information for the past 5 years:

- .1 Has the Purchaser had a contract for goods or services, or both, terminated for any reason? If so, provide full details regarding the termination.
- .2 Describe any damages or penalties assessed against, or dispute resolution settlements entered into by, Purchaser under any existing or past contracts for goods or services, or both. Provide full details about the incident, including the dollar amount of damages, penalties, and settlement payments.
- .3 Describe any order, judgment, or decree of any federal or state authority barring, suspending, or otherwise limiting the right of the Purchaser to engage in any business, practice or activity.
- .4 A list and summary of all litigation or threatened litigation, administrative or regulatory proceedings, or similar matters to which the Purchaser or its officers have been a party.
- .5 A list and summary of all Fair Debt Collection Practices Act complaints, consumer protection complaints, or similar complaints to which the Purchaser or its employees have been a party.

3.2.4 Acceptance of terms and conditions

The Purchaser must specifically agree that the Proposal is predicated upon the acceptance of all contractual terms and conditions stated in § 5 of the NOS. If the Purchaser objects to any term or condition, the Purchaser must specifically refer to the NOS page and section and provide the reason for the objection. Iowa College Aid may reject a Proposal where any objection or response materially alters the NOS.

3.2.5 Certification letter

The Purchaser must sign and submit with the Proposal the document included as Attachment #1 (Certification Letter).

3.2.6 Authorization to release information

The Purchaser must sign and submit with the Proposal the document included as Attachment #2 (Authorization to Release Information Letter).

3.2.7 Firm proposal terms

The Purchaser must guarantee that all Proposal terms, including purchase price, will remain firm a minimum of 120 days following the deadline for submitting Proposals.

3.3 Purchase price proposal

The Purchaser must state the price it is willing to pay Iowa College Aid for the purchase of the PLP loans being sold by this NOS.

Section 4 Evaluation and Selection

4. Evaluation and Selection

4.1 Introduction

This section describes the evaluation process Iowa College Aid will use to determine which Proposal or Proposals provides the greatest benefit to Iowa College Aid and the State. Iowa College Aid will not necessarily award any contract resulting from this NOS to the Purchaser offering the highest purchase price to Iowa College Aid. Instead, Iowa College Aid will award the contract to the Responsible Purchaser whose Responsive Proposal Iowa College Aid believes will provide the best value to Iowa College Aid and the State.

4.2 Evaluation committee

Iowa College Aid will conduct a comprehensive, fair, and impartial evaluation of Proposals received in response to this NOS. It will use an evaluation committee to review and evaluate the Proposals.

4.3 Overview of evaluation process

The evaluation committee will evaluate and score all Responsive Proposals submitted by Responsible Purchasers in accordance with this section.

4.4 Evaluation criteria

The Evaluation Committee will evaluate each Proposal using evaluation criteria developed before the Proposals are opened. The Evaluation Committee will award points weighted as follows:

4.4.1 Purchaser qualifications (§§ 3.2.2 and 3.2.3) (15%)

4.4.2 Purchase price (§ 3.3) (80%)

4.4.3 Contract risk (§ 5) (5%)

Section 5 Contractual Terms and Conditions

5. Contractual Terms and Conditions

The contract that Iowa College Aid expects to award as a result of this NOS is included as Attachment 3.

Attachment 3 is subject to change, modification or supplementation by Iowa College Aid. Attachment 3 is provided to enable Purchasers to better evaluate the costs associated with the NOS.

By submitting a Proposal, a Purchaser acknowledges that it accepts the NOS's specifications and Attachment 3 except as expressly stated in its Proposal. If a Purchaser takes exception to a provision, it must state the reason for the exception and set forth in its Proposal the specific contract language it proposes to include in place of the provision. Iowa College Aid may, in its sole discretion, reject any Proposal in which exceptions materially change the contract terms and conditions found in Attachment 3 or the requirements of the NOS.

Iowa College Aid reserves the right to either award a contract or contracts without further negotiation with the successful Purchaser or to negotiate contract terms with the successful Purchaser if the best interests of the State would be served.

Attachment 1
Certification Letter

[Date]

Brenda Edwards, Issuing Officer
Iowa College Student Aid Commission
430 East Grand Avenue, Floor 3
Des Moines, Iowa 50319

Re: Notice of Sale and Request for Bids
NOS No. 2015-001
PROPOSAL CERTIFICATIONS

Dear Ms. Edwards:

I certify that the contents of the Proposal submitted on behalf of **[Name of Purchaser]**(Purchaser) in response to the Iowa College Aid's for Notice of Sale and Request for Bids Number 2015-001 for Sale of Defaulted Private Partnership Loan Program Student Loans are true and accurate. I also certify that Purchaser has not knowingly made any false statements in its Proposal.

Certification of Independence

I certify that I am a representative of Purchaser expressly authorized to make the following certifications on behalf of Purchaser. By submitting a Proposal in response to the NOS, I certify on behalf of Purchaser that:

1. Purchaser has developed the Proposal independently, without consultation, communication, or agreement with any employee or consultant to Iowa College Aid, or with any person serving as a member of the evaluation committee.
2. Purchaser has developed the Proposal independently, without consultation, communication, or agreement with any other purchaser or parties for the purpose of restricting competition.

3. Unless otherwise required by law, Purchaser has not and will not knowingly disclose, directly or indirectly, information found in the Proposal before Iowa College Aid's issuance of the Notice of Intent to Award the contract.
4. Purchaser has not attempted to induce any other Purchaser to submit or not to submit a Proposal for the purpose restricting competition.
5. No relationship exists or will exist during the contract period between Purchaser and Iowa College Aid or any other State of Iowa entity that interferes with fair competition or constitutes a conflict of interest.

Certification Regarding Debarment

6. I certify that, to the best of my knowledge, neither Purchaser nor any of its principals: (a) are presently or have been debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by a Federal agency or State agency; (b) have, within a three year period preceding this Proposal, been convicted of, or had a civil judgment rendered against them for: commission of fraud, a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction, violation of antitrust statutes; commission of embezzlement, theft, forgery, falsification or destruction of records, making false statements, or receiving stolen property; (c) are presently indicted for, or criminally or civilly charged by a government entity (federal, state, or local) with the commission of any of the offenses enumerated in (b) of this certification; and (d) have not within a three year period preceding this Proposal had one or more public transactions (federal, state, or local) terminated for cause.

This certification is a material representation of fact upon which Iowa College Aid has relied upon when this transaction was entered into. If it is later determined that Purchaser knowingly rendered an erroneous certification, in addition to other remedies available, Iowa College Aid may pursue available remedies including debarment of the Purchaser, or suspension or termination of the contract.

Purchaser also acknowledges that Iowa College Aid may declare the Purchaser's Proposal or resulting contract void if the above certification is false. The Purchaser also understands that fraudulent certification may result in Iowa College Aid or its representative filing for damages for breach of contract in addition to other remedies available to Iowa College Aid.

Sincerely,

[Name and Title]

Attachment 2
Authorization to Release Information Letter

[Date]

Brenda Edwards, Issuing Officer
Iowa College Student Aid Commission
430 East Grand Avenue, Floor 3
Des Moines, Iowa 50319

Re: Notice of Sale and Request for Bids
NOS No. 2015-001

AUTHORIZATION TO RELEASE INFORMATION

Dear Ms. Edwards:

[Name of Purchaser] (Purchaser) hereby authorizes Iowa College Aid or a member of the Evaluation Committee to obtain information regarding its performance on other contracts, agreements or other business arrangements, its business reputation, and any other matter pertinent to evaluation and the selection of a successful Purchaser in response to Notice of Sale and Request for Bids Number 2015-001.

Purchaser acknowledges that it may not agree with the information and opinions given by such person or entity in response to a reference request. Purchaser acknowledges that the information and opinions given by such person or entity may hurt its chances to receive contract awards from the State or may otherwise hurt its reputation or operations. Purchaser is willing to take that risk.

Purchaser hereby releases, acquits and forever discharges the State of Iowa, the Iowa Iowa College Aid, their officers, directors, employees and agents from all liability whatsoever, including all claims, demands and causes of action of every nature and kind affecting the Purchaser that it may have or ever claim to have relating to information, data, opinions, and references obtained by Iowa College Aid or the Evaluation Committee in the evaluation and selection of a successful Purchaser in response to the NOS.

Purchaser authorizes representatives of Iowa College Aid and the Evaluation Committee to contact any of the persons, entities, and references that are, directly or indirectly, listed, submitted, or referenced in the Purchaser's Proposal submitted in response to the NOS.

Purchaser further authorizes all persons, entities to provide information, data, and opinions about Purchaser's performance under any contract, agreement, or other business arrangement, its ability to perform, business reputation, and any other matter pertinent to the evaluation of the Purchaser's Proposal. Purchaser hereby releases, acquits, and forever discharges any such person or entity and their officers, directors, employees and agents from any and all liability whatsoever, including all claims, demands and causes of action of every nature and kind affecting Purchaser that it may have or ever claim to have relating to information, data, opinions, and references supplied to Iowa College Aid or the Evaluation Committee in the evaluation and selection of a successful contractor in response to the NOS.

A photocopy or facsimile of this signed Authorization is as valid as an original.

Sincerely,

[Printed Name of Purchaser Organization]

[Name and Title of Authorized Representative]

Date

Attachment 3
SALES CONTRACT

This Sales Contract is dated _____, 2015, between the Iowa College Student Aid Commission ("Iowa College Aid"), a department of the State of Iowa created by chapter 261 of the Iowa Code, and _____ ("Purchaser"), _____. The parties agree as follows.

1. **Purpose.** The parties are entering into this contract for Purchaser to purchase defaulted Private Partnership Loan Program ("PLP") student loans from Iowa College Aid.

2. **Incorporation of documents.**

2.1 **Incorporation of notice of sale documents.** This contract incorporates

2.1.1 Iowa College Aid's Notice of Sale and Request for Bids for Sale of Defaulted Private Partnership Loan Program Student Loans, NOS No. 2015-001 ("NOS"); and

2.1.2 Purchaser's proposal in response to the NOS.

2.2 **Resolution of inconsistencies or conflicts in bidding documents.** If there is any inconsistency or conflict between the specific provisions of this contract, the NOS, and Purchaser's response to the NOS, the parties agree that any such inconsistency or conflict will be resolved as follows: (1) by giving preference to the specific provisions of this contract; (2) by giving preference to specific provisions of the NOS; and (3) by giving preference to specific provisions of Purchaser's response to the NOS. This contract's failure to refer to specific terms of the NOS or Purchaser's response to the NOS does not create a conflict with this contract and does not relieve Purchaser of the contractual obligations imposed by the NOS or Purchaser's response to the NOS. Terms offered in Purchaser's proposal that exceed the NOS's requirements do not create an inconsistency or conflict with the request for proposal or this contract. Nor can Purchaser's response to the NOS impose or imply any contractual obligation on Iowa College Aid.

3. **PLP Loans.** Exhibit A identifies the PLP Loans that Iowa College Aid will sell to Purchaser.

4. **Sale of PLP Loans is “as is.”** Purchaser understands and agrees that Iowa College Aid is selling the PLP Loans “as is.” Iowa College Aid is making no representations or guarantees about future cash flows.

5. **Sale of PLP loans.** On the Closing Date, Iowa College Aid will sell of its rights, title, and interest in the PLP loans identified in Exhibit A, and Purchaser will purchase the PLP loans identified in Exhibit A. This sale is governed by Article 3 of the Uniform Commercial Code, Iowa Code § 554.3101 et seq.

6. **Compensation.** Purchaser will pay Iowa College Aid a lump sum amount of \$_____ for all of the PLP loans covered by this contract.

7. **Transfer of physical files.** Purchaser must coordinate with Iowa College Aid for the pickup or delivery of physical paper files and promissory notes. Purchaser will be responsible for any expenses associated with pickup or delivery of physical paper files and promissory notes.

8. **Transfer of electronic loan data.** Purchaser must coordinate with Iowa College Aid for the transfer of electronic loan data. Purchaser will be responsible for any expenses associated with the transfer of electronic loan data.

9. **Closing.** The Closing Date is the date agreed to by the parties. At closing, the parties agree:

9.1

9.2

10. **Indemnification.**

10.1 **Purchaser’s indemnification of Iowa College Aid.** Purchaser must indemnify the State of Iowa and Iowa College Aid from any and all liabilities, damages, settlements, judgments, costs and expenses, related to or arising from:

10.1.1 Purchaser’s negligent acts or omissions;

10.1.2 Purchaser’s performance or attempted performance of this contract;

10.1.3 Purchaser's failure to comply with all local, state and federal laws and regulations; or

10.1.4 Purchaser's failure to make all reports, payments and withholdings required by federal and state law with respect to social security, employee income and other taxes, fees or costs required by Purchaser to conduct business in the State of Iowa.

Purchaser's duty to indemnify the State of Iowa and Iowa College Aid applies to any claim arising on or after the Closing Date.

10.2 **Survives termination.** All indemnification obligations imposed by this paragraph survive the termination of this contract.

11. **Representations and warranties.**

12. **Contract administration.**

12.1 **Compliance with laws.** Purchaser must comply with all applicable federal, state, and local laws, rules, ordinances, regulations, and orders, including, but not limited the Iowa Consumer Credit Code and the Fair Debt Collection Practices Act when collecting any amount owed under the PLP Loans.

12.2 **Amendments.** No supplement, modification, or amendment of this contract will be binding unless it is in writing and signed by both parties.

12.3 **Third parties.** This contract has no third-party beneficiaries; it benefits only Iowa College Aid and Purchaser.

12.4 **Choice of law and forum.** Iowa law governs this contract without regard to its choice-of-law provisions. Any litigation arising out of or related to this contract must be brought in Polk County District Court, Des Moines, Iowa.

12.5 **Representations.** Each party represents to the other that:

12.5.1 It has the right, power, and authority to enter into and perform its obligations under this contract.

12.5.2 It has taken all requisite action (corporate, statutory, or otherwise) to approve the execution, delivery, and performance of this contract.

12.5.3 This contract constitutes a legal, valid, and binding obligation on itself in accordance with its terms.

12.6 **Integration.** This contract constitutes the entire agreement between the parties and none of the parties are relying on any representations that may have been made that are not included in this contract.

12.7 **Not a joint venture.** Nothing in this contract creates the relationship of a partnership, joint venture, or other association of any kind, or agent and principal relationship between the parties. Each party is an independent contractor to the other contracting for services and acting toward the mutual benefits derived from this contract. No party, unless otherwise specifically authorized in this contract, has the authority to enter into any contract or create any obligation or liability on behalf of, in the name of, or be binding on another party to this contract.

12.8 **Obligations beyond the term of this contract.** This contract will remain in full force and effect to the end of the specified term or until terminated or canceled under this contract. All obligations of the parties incurred or existing under this contract as of the expiration, termination, or cancellation will survive the termination or cancellation of this contract.

12.9 **Supersedes former agreements.** This contract supersedes all prior contracts between Iowa College Aid and Purchaser for the services provided under this contract.

12.10 **Waiver.** No waiver of any term of this contract constitutes a waiver of any other provision, whether similar or dissimilar. No waiver of any term constitutes a continuing waiver of that term. No waiver is binding unless it signed in writing by the waiving party.

12.11 **Notices.** Whenever this contract requires a party to send notice or other communication to the other party, the notice must be in writing and must be delivered personally or sent by certified or registered mail, or by overnight courier, postage prepaid, or by e-mail message to the following addresses:

If to Iowa College Aid: 430 East Grand Avenue, Floor 3
Des Moines, Iowa 50309

If to Purchaser:

A notice is effective either (1) on the day of personal delivery, or (2) two days after the date of mailing, whichever is earlier.

12.12 Severability. If any term of this contract is for any reason invalid or unenforceable, the rest of the contract remains fully valid and enforceable.

12.13 Cumulative rights. The various rights, powers, options, elections, and remedies of any party in this contract are cumulative and not one of them is exclusive of the others or exclusive of any rights, remedies, or priorities allowed either party to pursue any other equitable or legal remedy to which either party may be entitled as long as any default remains unremedied, unsatisfied, or undischarged.

12.14 Time is of the essence. Time is of the essence with respect to the performance of the terms of this contract.

12.15 Successors in interest. This contract binds and inures to the benefit of all parties and their successors, assigns, and legal representatives.

The parties are signing this contract on the date stated in the introductory paragraph.

IOWA COLLEGE STUDENT AID COMMISSION

By: _____
Karen Misjak, Executive Director

CONTRACTOR NAME

By: _____

Attachment 4

Background Information:

- The loans were purchased from the original lender between 1998 and 2006 as defaulted private Partnership Loan Program student loans.
- ICSAC performed in-house collection services along with several loans being placed with a third-party collection agency starting in 2010. All loans were placed with the collection agency in 2012 and in-house collections ceased.
- ICSAC will provide loan detail and history prior to 2012 as an export from their system. Loans have been maintained on the collection agency's system since 2012 and data will be in a separate export file.
- Loans range from having one sole borrower, to having one or two co-signers.
- Approximately 635 loans are at a variable interest rate, with the remaining fixed at 8.4%.
- There are 251 borrowers in the portfolio with multiple loans.

Key Data, as of September 30, 2015:

Portfolio consists of 1,000 borrowers; Total of 1,251 loans comprising of:

\$9,586,432.40 Principal;
\$5,926,692.70 Interest;
\$15,513,125.10 Principal & Interest

Detailed Breakdown:

No payments (since 2012)	623	\$5,941,300.26
Over 270 days	282	\$2,621,885.53
Greater than 121	3	\$10,984.16
91-121 days	3	\$11,696.97
61-90	3	\$97,502.09
31-60	2	\$26,359.21
30 day	84	\$876,704.18
TOTAL Principal Balance	1000	\$9,586,432.40

Interest	\$5,926,692.70
Total P&I	\$15,513,125.10

Payment Breakdown for September 2015:

Account Status	# of Loans	\$ Collected
AWG	48	\$2,971.72
Smart Check (Auto payment)	85	\$10,085.46
Mailed-in Check	6	\$268.00
Credit Card	1	\$300.00
Other	2	\$175.00
Grant Total	142	\$13,800.18

PLP Annual Revenues:

FY2015 \$240,881.58

FY2014 \$306,761.85

FY2013 \$460,785.83